

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Health	(2) MEETING DATE 6/4/2013	(3) CONTACT/PHONE Mike Stevens / 781-4303	
(4) SUBJECT Request to approve a renewal agreement (Clerk's File) with the State Department of Health Care Services allowing continued participation in the Medi-Cal Targeted Case Management program for a five (5) year period from July 1, 2013 through June 30, 2018.			
(5) RECOMMENDED ACTION It is recommended that the Board: (1) Approve and direct the chairperson to sign a renewal agreement with the State Department of Health Care Services allowing continued participation in the Medi-Cal Targeted Case Management program for a five (5) year period from July 1, 2013 through June 30, 2018;  (2) Authorize the Health Agency Director to sign any future amendments to the State Department of Health Care Services Agreement for the Targeted Case Management Program that do not increase the level of General Fund support required by the Health Agency.			
(6) FUNDING SOURCE(S) Federal	(7) CURRENT YEAR FINANCIAL IMPACT \$692,000.00 - FY 2013/14	(8) ANNUAL FINANCIAL IMPACT \$692,000.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>May 8, 2007</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst			
(18) SUPERVISOR DISTRICT(S) All Districts -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director  
Mike Stevens, Deputy Director Health Agency

DATE: June 4, 2013

SUBJECT: Request to approve a renewal agreement (Clerk's File) with the State Department of Health Care Services allowing continued participation in the Medi-Cal Targeted Case Management program for a five (5) year period from July 1, 2013 through June 30, 2018.

## **RECOMMENDATION**

It is recommended that the Board:

- (1) Approve and direct the chairperson to sign a renewal agreement with the State Department of Health Care Services allowing continued participation in the Medi-Cal Targeted Case Management program for a five (5) year period from July 1, 2013 through June 30, 2018;
- (2) Authorize the Health Agency Director to sign any future amendments to the State Department of Health Care Services Agreement for the Targeted Case Management Program that do not increase the level of General Fund support required by the Health Agency.

## **DISCUSSION**

Since 1998, Public Health has accessed Targeted Case Management (TCM) funding for case management services to the Medi-Cal population for the Family Health Services Field Nursing program. The Public Health Field Nursing program provides case management services (home visits) to high risk Medi-Cal eligible clients including pregnant and parenting families. Public Health nurses assess the client's needs and develop a comprehensive case management plan to assist the client in accessing needed Medi-Cal covered services. Public Health is reimbursed for a portion of the costs of assessing clients' medical needs, providing referrals to essential services, arranging for transportation and providing case management follow-up to ensure that services were obtained. This program does not cover direct medical services, only case management services. The attached participation agreement allows the County to continue to participate in the TCM program.

Reimbursement is based on an encounter rate that is established each year through the annual Targeted Case Management (TCM) cost report. The rate is calculated by dividing the prior year's cost by the total number of eligible Medi-Cal encounters conducted in that fiscal year. The County invoices the State quarterly for the total number of eligible encounters multiplied by the approved encounter rate. The State reimburses the County for 50% of the cost of providing the services after review and approval of the invoice. The 50% match incurred by the County must be certified public expenditure (CPE) revenues. CPE's are defined as state funds, county general fund and local tax revenues. Public Health staff are also required to complete time studies and maintain client charts documenting the services provided.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has reviewed and approved the renewal agreement as to form and legal effect.

## **FINANCIAL CONSIDERATIONS**

The Targeted Case Management program is a federally funded Medi-Cal fee for service reimbursement program. An encounter rate is established based on the actual costs and encounter data from the prior fiscal year cost report. The cost report calculates the billable rate per encounter. TCM funds 50% of the State approved encounter rate. The State contract allows the County to continue to participate in the program. The contract does not include a funding amount since the reimbursement rate changes each year based on the approved cost report, consistent with other Medi-Cal fee for service programs.

Expense and revenue in the amount of \$692,000 is included in the FY 2013-14 budget for the Targeted Case Management program. In FY 2012-13 Public Health projects \$650,000 in revenue associated with this program. Approval of the State TCM renewal agreement will not increase the level of General Fund required by the Health Agency.

## **RESULTS**

Approval of the renewal agreement will allow Public Health to continue to access federal funding for the Targeted Case Management program. The funds allow Public Health to provide increased access to Medi-Cal eligible services to pregnant and parenting families to help improve the health of newborns that ultimately leads to a healthier population.

## **ATTACHMENTS**

1. Clerk's File Statement for Medi-Cal Targeted Case Management Renewal Agreement